

Co-Chairman of the Senate
SUNDAY, MAY 16, 2004

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MAY 17 2004

National Report

The New York Times

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Photographs by Jim Wilson/The New York Times

Mayor Kevin Phillips of Caliente, Nev., is the chief proponent for a rail route for nuclear waste, and Marge Detraz is its most outspoken opponent.

Proposal for Nuclear Waste Train Splits a Tiny Nevada Town

By CHARLIE LeDUFF

CALIENTE, Nev. — This used to be a railroad town with a dozen tracks and a dozen bars and a lot of jobs.

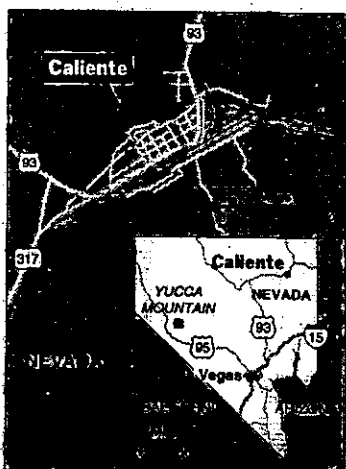
But then the railroad company decided it did not need Caliente anymore. Now, instead of stopping, the freight trains barrel through the middle of town.

Most of the bars are closed, and storefronts on the main street are boarded up, but Mayor Kevin Phillips has figured out a way to lift the fortunes of his struggling hamlet tucked in the mountains about 130 miles north of Las Vegas. Nuclear waste.

Mr. Phillips, 53, who owns a local hardware store, has volunteered Caliente, population 1,200, to be the transfer station for the nation's spent nuclear fuel that is supposed to be stored in the Yucca Mountain repository beginning in 2010. Though the repository plan has run into stiff opposition in Nevada, Mr. Phillips's idea has supporters, including the federal government, which announced in April that it wanted to run a train through here to carry the waste to its final resting place.

"It would be absolutely safe, with the proper training, and it would bring jobs that we sorely need," said Mr. Phillips, who walks around town with a tape measure on his belt. "We rural people don't get all water-eyed about this kind of thing."

Mr. Phillips, who earns \$190.40 a month as mayor, has become a political lightning rod in the national nuclear waste disposal debate. Not one major politician in Nevada supports the Yucca Mountain plan, and the "Glow Train" plan, as it is called



The New York Times

Caliente could become a transfer station for spent nuclear fuel.

around here, has split this tiny town down the middle.

Marge Detraz is the mayor's arch-nemesis, and the person responsible for the "No Nukes" signs on trees and fences around town. Mrs. Detraz, a 77-year-old widow who offers strangers brownies with nuts, figures she has spent \$125,000 of her own money battling the mayor and the federal government over the train. She and her husband earned that money working at the nuclear test site, where the waste is to be stored.

She is a fixture in the local Mormon church, which Mr. Phillips also attends. She considers him a good, spiritual man and compliments him on his skin-tingling oratory. But when it comes to the train, her invec-

tive for her neighbor is stinging, referring to him as corrupt, tyrannical and an unwitting tool of forces more powerful than himself.

"If they bring that train in with that nuclear waste, it has the potential to kill all of us," Mrs. Detraz said. "I mean, the tracks run straight through the middle of town. And the mayor thinks he's going to save Lincoln County with that thing? He's crazy."

Mr. Phillips is philosophical about the criticism. "This is no launch pad into senatorial politics, I'll tell you that," he said.

Nukes mean jobs — maybe 100, maybe 300 — and Mr. Phillips, father of 10, is tired of seeing Caliente children graduate from high school and move down the hill to Las Vegas to find a living. Handled correctly, nuclear waste can be as safe to handle as household garbage, he said.

"What's the picking difference?" asked Mr. Phillips. "The government is going to put a rail system in anyway, so why shouldn't we benefit?"

Caliente is on a main line of the Union Pacific Railroad. Dozens of hazardous material shipments come through every day, the mayor said, and there has never been a major accident.

"It's just 50 yards out my front door," he said. "It could take out the whole town, but no one ever complains about that."

The Department of Energy announced in April that it would prefer to ship nuclear waste to Yucca Mountain by a rail line that would begin in Caliente and wind 319 miles around the border of the test site and end at the mouth of the repository, about 100 miles northwest of Las Vegas. The repository would accom-

modate 77,000 tons of radioactive waste from 39 states, none of it from Nevada.

The railroad would cost \$880 million to build, the department estimates, and two loads of nuclear waste stored in casks would run through Caliente each day.

The Energy Department's announcement is the first significant movement in the debate since President Bush designated Yucca Mountain as a nuclear waste storage site in 2002, over the objections of Gov. Kenny Guinn. Scientists have questioned whether Yucca Mountain has the structural integrity to hold up for 10,000 years.

Rural Nevadans, libertarian to their marrow, do not trust the federal government, which controls nearly 90 percent of Nevada's territory. It was the government, Mrs. Detraz pointed out, that said nuclear testing was safe, and so the whole town would come out onto the ridge in the 1950's to watch the above-ground detonations at the Nevada test site with their naked eyes.

People died from mysterious illnesses. Dogs limped around with open sores.

"People back East make the garbage and we got to take it," said Michael Budreau, 38, preparing himself for an afternoon beer since he cannot find work here anyhow.

"Nuclear waste will bring money and jobs, that's for sure," Mr. Budreau said. And then almost in a whisper, he revealed what he thought the real problem was.

"Jobs will also bring new people, and if anybody around here's talking truthful, they will tell you they don't want them."

Co-Chairman of the Lincoln County "Nuclear Opposition Committee"

Draft Minutes JCCILAC Meeting June 26, 2003 5:00 pm

Members

Kevin Phillips

Spencer Hafen 5:03

Stan Wallis 5:07

Bryan Elkins

Lanny Adair

Tommy Rowe

Larry Skousen (new member)

Staff & Public

Jason Pitts

Mike Baughman

Ace Robison

Doug Bearman

Louis Benezet

Marge Detraz

Please read my Public Comment as well as Louis Benezet at this JCCILAC meeting.

Very Important

(Ace Robison and Mike Baughman)

See Page 5 regarding "Lobbying"

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Lincoln County Nuclear Information Committee
Read the Public Comment on Pages 5-6-7-8-9-10
Most information by Marge Detraz & Louis Benezet

- * 1. The Pledge of Allegiance was performed. Mr. Phillips called the meeting to order and confirmed compliance with Requirements of Nevada Open Meeting Law with Mr. Pitts. Mr. Pitts confirmed compliance. Mr. Phillips introduces Larry Skousen.

Monitoring Updates: Congressional, Department of Energy and Other Federal Agencies, State of Nevada and Other Affected Units of Local Government on Yucca Mountain Related Initiatives. (Robison/Seidler, Intertech Services)

Mr. Phillips introduces Ace Robison. Mr. Robison addressed the NRC quality assurance concerns contained in newspapers over last month or so in regards to the Yucca Mountain Program. At a working meeting a few weeks ago, the NRC chastised the DOE for quality assurance lapses. The DOE has and is in process of responding to show how they plan to address those quality assurance concerns. Margaret Chu stated in a letter to the NRC director that she believes the management improvements currently underway in various areas of procedural compliance and corrective action programs will meet the NRC's requirements. Mr. Robison stated he knows there have been meetings since that time, within DOE, as they are seeking to close the gap on the concerns expressed by the NRC. John Arthur's office is conducting regular operating reviews, and it appears the DOE is doing well in addressing these issues. Mr. Robison stated that John Arthur is a strong manager who demands performance by his people, and will accomplish what needs to be accomplished. Mr. Robison stated there are a number of new buzz words, as the program has changed from a Site Characterization Program to a License Application Process, that will need to become familiar: corrective action programs; self-assessments; safety-conscious work environment and HIRD, which stands for harassment, intimidation, retaliation and discrimination. As the Nuclear power industry has developed licensing protocols since 1979, these protocols and the new buzz words need to be learned by the DOE, who have never been through a licensing process. Mr. Robison stated John Arthur does not seem afraid to request assistance from those who know how to deal in this environment, including the NRC, to bring the DOE up to speed in dealing with an environment in which they've never operated before. Mr. Robison stated that all through the Site Characterization phase, for years, the DOE has been in an environment in which neither they, nor anyone else, has ever operated, as there has never been a repository license so it's a matter of inventing the wheel. Mr. Robison stated that these things, particularly HIRD and the safety-conscious work environment involve time sensitive investigations and responses. DOE seems to be responding well, and in those addressed, the DOE have succeeded the timelines. Mr. Robison then addressed recent news account where Senator Reid has expressed concern with

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particular regard to the hearing he held some weeks ago in Las Vegas about witness intimidation where allegations were made associated with witness intimidation. Senator Reid has asked Senator Domenichy to hold a hearing in Washington, DC on that issue. Mr. Robison stated that what has been heard is that Senator Domenichy is not, as yet, sure he agrees with Senator Reid that there is intimidation. The two individuals who had been invited to, and declined to testify, have letters from DOE, presumably from Margaret Chu, stating that if they wished to testify, go ahead and testify, so there seems to be nothing to the witness intimidation allegation. Mr. Robison stated he would update on this issue at a later time. Mr. Robison then addressed transportation. The National Academy of Sciences was asked to form a committee on national transportation. That study will take two years to accomplish. DOE, as they presented to that committee is undecided as to the method for shipping spent fuel to a repository. Jeff Williams, DOE's interim director for the Office of National Transportation indicated to the NAS committee that rail shipments in Nevada would be the preferred choice, based on efficiency. The cost of the transportation program is estimated to be approximately \$6 billion, with \$1 billion needed for the equipment, the remainder needed for operations. Because DOE resources are allocated primarily to the licensing application development, transportation is being placed on the back burner. The overall assumption, even within DOE, and the office of Civilian Radioactive Waste Management is that it is unlikely railroad will be built in time to move fuel in 2010, though they continue to hold to the 2010 date for fuel movement. Mr. Robison stated the likelihood of having a rail allowing fuel to be moved to Yucca Mountain is increasingly unlikely, so those who are thinking about it are looking at inter-modal somewhere, though the next question is where, as there are a number of routes that are in the EIS. Mr. Robison stated that Chairman David Hobson, chairman of the House Energy and Water Appropriations Committee has begun to focus on the issue of transportation. Chairman Hobson has stated we cannot wait, we need to try and provide enough money to the program to begin to do serious transportation work and he, and his committee bear watching over the next couple of months as they go through the appropriations process, as Chairman Hobson has vowed that he will put some language and money in that will allow DOE to do some transportation work, outside of the licensing application money. The outcome is unknown at this time, as Senator Reid is opposed. Mr. Robison then addressed the issue of military over-flights over Yucca Mountain. Last year, DOE prepared a study which was provided to the State of Nevada in October, 2002 and made public May, 2003 referring to aircraft flying over Yucca Mountain repository. The primary question was how the repository might impact military operations at Nellis, with the underlying issue being what would happen if an aircraft crashed into or a missile misfired into the repository or storage area. The report called for further study of aircraft which may fly within 30 miles of Yucca Mountain, including commercial aircraft. The NRC will consider the studies as part of DOE's license application. Mr. Robison then addressed the June 12, 2003 AUG meeting where discussion focused on DOE guidance on work plans for FY04. Discussion focused on to what degree DOE should provide guidelines when the law calls for independent oversight, and the definition of the terms "independent" and "necessary" studies and work was debated. The outcome of that meeting was the scheduling of a workshop involving all the AUG's and the DOE where they will sit down collectively to determine appropriate guidances to avoid the problems associated with the audits, scheduled for July 22, 2003. Mr. Robison then addressed Mr. Phillips, who asked if there were any questions, which there were not. Mr. Phillips then introduced Dr. Mike Baughman. Dr. Baughman referenced three printed and provided summaries of meetings, the first being the Senate Energy and Water Subcommittee hearing held in Las Vegas, referred to by Mr. Robison, the second a report on the Nevada Commission on Nuclear Projects meeting held on June 2, 2003 and the third meeting held June 4-5, 2003, the DOE/NRC technical exchange on waste tax design. Dr. Baughman cited the AUG meeting of June 12 as the impetus towards coming up with the draft workplan. The DOE indicated they wanted to have those workplans available by the middle of July, so that a review process could begin which they intend to have those workplans reviewed and budgets approved by October 1, 2003, the theoretical date where new funding would be available for FY04. Dr. Baughman referenced a DOE/NRC technical exchange interaction regarding the response to the DOE's peer review panel on activity and responding to USGS work paid for by Nye County which have identified new basaltic features within 12 miles of the Yucca Mountain site, which are candidate new volcanoes, previously unidentified. Discussion with DOE in areas of concern to

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take place next Tuesday. Dr. Baughman asked if there were any questions. Mr. Phillips asked if there were any questions. Mr. Pitts asked about the LSN, a system the NRC has developed in order to catalog and control documents used in licensing, and stated the counties are attempting to develop a system where they can place their information online so it may be used in the licensing procedure and that it also ties into the public information. Mr. Pitts stated there is a panel of county and state representatives, DOE representatives that over the last ten years have helped to guide the NRC in their development of the system. Mr. Pitts stated the problem is that in a licensing process this large, the handling of millions of documents has never been attempted. Mr. Pitts stated the NRC program can catalog or index 50,000 pages of information per day. The DOE expects to put 27 million pages of information online, while the NRC is saying they need the information now. DOE states they do not need to put the information online until six months prior to the license application. NRC stated to DOE it would take a year and a half to index their documents based on the 50,000 page limit. Mr. Pitts stated he believes this information has not been placed at a high enough level which means the DOE will not be able to proceed with licensing until all the documents are available to be traced. Mr. Pitts stated he would like to see this issue addressed before problems occur. Mr. Phillips asked Dr. Baughman to introduce item 3.

* 3. Discussion/Action: FY 2004 Lincoln County Repository Work Plan

Dr. Baughman stated that pursuant to the audit conducted by the Inspector General's Office, which was really an audit of DOE and how they're administering the oversight program and funding and also pursuant to DOE's anticipating how to handle oversight funding in the future is to take funds out of their normal operating funds rather than have a line item in the budget. Consequently DOE didn't put any money in the budget in line item request from Congress for oversight, although Congress is in the process of putting that in. DOE is looking at re-vamping their funding process to the state and local governments for oversight work. Part of that re-vamping is to broaden the workplans and encourage the local governments to submit workplans earlier in the process and to submit workplans which are more detailed and focused on repository development because of the change from the Site Characterization to Repository Development, and DOE is looking for workplans which respond to the changes in the program. DOE requests the plans to be submitted soon, so they can begin to review them and to determine those proposed activities that they deem to be permissible under the Nuclear Waste Policy Act, and then to advise the counties and state as to which activities from the workplans appear to be permissible. Once the counties are given that information, they will meet with the DOE to come to an agreement as to what appears to be the permissible scope of work for the fiscal year, and then the counties and states would apply dollars to their budgets with the knowledge of what activities DOE is actually going to fund. The counties then submit their completed workplans including budget back to DOE in time for them to be able to review and then render a decision by October 1. Dr. Baughman stated that this came about as a result of the AUG meeting and upon direction from the chairman and vice-chairman. Robison/Seidler and Intertech services worked together the past couple of weeks to develop the preliminary draft workplan for FY04, which does not address dollars, but focuses on nature of work in the coming year. Dr. Baughman referred to provided reference to Section 116C of the Nuclear Waste Policy Act, which is the relevant guidance on how these funds can be spent. What has been attempted is to, under the encouragement of DOE to all AUG's, construct a workplan which focused on repository development which looked at the repository as a system including transportation and which was responsive to Section 116C, these areas of the Nuclear Waste Policy Act in terms of how spending is proposed. DOE should refer to Section 116C to make sure what we're proposing fits within its guidelines. Dr. Baughman then referred specifically to the provided workplan, citing the introduction as being more to inform the changing DOE personnel who are unaware of Lincoln County's participation in the program since 1984. The next focus in the workplan is the past couple of years to give perspective as to where we've been most recently, and re-solidifies those areas worked on we felt were important focus and touches on areas the DOE questioned during FY03 and audits, now resolved. Dr. Baughman cited an example as funding going to the development authority is an allowable/permissible expense. Other examples given were tours of power plants, meetings with the energy alliance, etc., which DOE is beginning to see as permissible activities. Dr. Baughman stated we then present the goals adopted by the committee, being to understand and minimize potential risks, to understand and minimize

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potential impacts, and to understand and maximize potential benefits associated with the Yucca Mountain repository system, including transportation. We then present a series of objectives in accomplishing those goals, including how we accomplish the understanding and minimizing and maximizing of the goals, monitoring activities, pre-decisional which gives us the ability to work with DOE in understanding and obtaining knowledge of the program and the ability to give input before DOE makes decisions, rather than having to respond to or shape decisions after the fact, positioning the county and city to participate as an intervener or an interested party in the licensing process, both of which require specific systems to be in place, to have submitted documentation to the LSN, and to have had the LSN accepted by the NRC. Dr. Baughman stated we are moving towards positioning the county and city to pursue a course of action desired when the time comes, presumably early calendar year 2005. Dr. Baughman then referred to the program elements, and cited the five allowable activities under the Nuclear Policy Act, to which we added a sixth which is program management, the administration of the program. Activity codes were added, which were proposed due to the audits, to better clarify expenditures. DOE does not presently have a system in place of determining, within their agency, what are permissible or non-permissible expenses and communicating that to the AUG's and the state in such a way that, when the state and local governments spend money, in accordance with the DOE directive, that the directive will stay consistent. Dr. Baughman stated this is what occurred in virtually every case of a non-permissible expense questioned by the auditors. The numbers dropped dramatically when we and other counties were able to provide letters from DOE stating we could keep earned interest as long as we spend it on Nuclear Waste Program activity where the auditors stated we were not able to do that. This is a problem within DOE of not having complete information before communicating to us while we are abiding by what they have told us. Dr. Baughman stated DOE is presently working hard to resolve this problem. On our side was proper accounting of activities, not clearly coding invoices and various reports to designate to which specific allowable activity these documents pertain. This caused the auditors to question those documents, thus resulting in a large amount of money questioned. Through consultation by DOE's auditors with the counties and state and subsequently with the Inspector General's office, the questioned dollar amounts are dropping as the expenses are being better explained and determined permissible. We are now proposing the activity codes, where on each invoice or report submitted, each listed work activity will be coded against the permissible items to better clarify to which allowable activity in the Nuclear Waste Policy Act each item pertains. We will also be clarifying in the prepared documents whether the document is a monitoring document or impact assessment document in terms as to how it relates to the program. The bottom end is that we had a problem in how we submitted documentation and the department had a management problem at the top end. In both cases, the DOE is directed to determine how best to resolve those problems. Dr. Baughman then referred to the work program, which is a description of activities which follows under the different program elements. The first listed is program management which is the overview of how the program works. Dr. Baughman cited in this section a proposal that the independent audit conducted by the county each year of the county's funds, including this fund, be submitted to the DOE, along with the annual certification we submit, as neither the DOE nor the Inspector General's office availed themselves to these audits. The DOE has indicated these audits should be submitted, and may be all they need for reference. Dr. Baughman stated Item 4 describes the Impact Alleviation committee, Item 5 refers to the executive committee and the annual alternating chairmanship of this committee between the county commission chairman and the mayor of the city. Dr. Baughman cited uncertainty regarding funding, resulting in a county policy not to hire any permanent employees under this program, an example being the coordinator position which is a contracted position, thus if funding were not available, and hours were reduced or eliminated, the question of laying off a county employee and benefits are not of concern. Dr. Baughman then referred to the documented impact assessment work, referring to updating the existing prepared preliminary impact report by monitoring the DOE program as it evolves and looking at changes in the impact report that are owing to the way the program is evolving, while also looking at change conditions in the county. If certain economic demographic fiscal items are changing, affecting the impact report, the report can be updated to reflect the changes, the purpose being to maintain a current document annually such that in any one year, should DOE make and implement a decision, an example being a transportation decision, immediate cooperation with DOE can begin to mitigate the impacts

associated with that decision. We anticipate possibility of records of decision concerning transportation in FY04, with DOE stating this as a possibility. If DOE were to do that, we would be specific in the analysis about those impacts and include that information in the reports. Dr. Baughman stated another area which is an allowable expenditure is the preparation of an impact assistance report, and that impact assistance can be requested from DOE. Since we are moving into a licensing area in December of FY04, and because NRC could conceptually condition a license to include mitigation of certain impacts, and because DOE could make certain transportation decisions in the next fiscal year, we envision development of a preliminary draft of an impact assistance report, which flows from the impact report to producing a document which requests specific impact assistance to mitigate some of those impacts. The document would change over time as conditions change. Dr. Baughman stated monitoring is an allowable activity by DOE. We have tried to be specific as to lay out a variety of program elements we envision in FY04, which are various activities DOE has underway or is planning for FY04 to which we will be paying specific attention. These items are linked to things which could affect us. Impacts to ground water are not a big concern due to upgrades from the repository. Geological monitoring, however, which is still an open issue for DOE, is a hypothetical exposure pathway for us. Though the probability is low, consequences could be high under some circumstances. Transportation is woven into this section since we are potentially impacted by transportation. Dr. Baughman then referred to the notation regarding monitoring not only the activities of the DOE and Nuclear Waste Technical Board and the NRC, but also other agencies such as EPA, DOT, FEMA and DOD who all have a roll to play in this program. We also specifically highlight keeping track of what's going on with the private fuel storage facility in Utah. DOE has not reached a conclusion on whether or not we should have that ability, and we are proposing this item for their consideration as we are adamant about the necessity of our ability to monitor the activities at the facility for two reasons, the first being the NRC licensing process underway there which is the first of its kind for a stand-alone independent facility which can be likened to the repository in terms of offsite storage which can be utilized for instructional purposes and, more importantly that the final environmental impact statement for the PFS facility shows the transportation of that waste coming from the PFS facility to the Lincoln County line on the UP railroad and stopping, which is where the analysis ends. There is a clear link to what happens at the PFS facility and the outcome of this licensing to what happens to the waste that is not shown in the NRC report past the state line. Dr. Baughman referred to the LSN initiatives, which are key in positioning us to participate in the process, continuing to monitor the activities of Congress and the Legislature, and DOE has determined this is acceptable activity as long as there is no lobbying. Monitoring, sitting in on hearings, reading minutes of meetings, responding to a request by a legislator for information is not lobbying. We have indicated in our report we will continue to monitor those activities and clearly state we will not spend any nuclear waste funds to lobby or litigate. Dr. Baughman then addressed public information where a variety of activities are listed, initiatives currently ongoing both in terms of prepared brochures/newsletters, mailings sent out, the website and internet communications we do as well as town hall meetings, tours by residents and tours of nuclear facilities. Dr. Baughman stated the last area in the Nuclear Waste Policy Act for which we are allowed to use our funds is to provide recommendations to the Secretary of Energy. We have attempted to characterize, taking into consideration our present position in the program and the types of work in which we will be engaged and our interaction with DOE, NRC and others in the upcoming fiscal year, a series of recommendations possibly formulated in the coming year and offering to the Secretary, perhaps through Margaret Chu or other representatives of the DOE. Examples would be factors to be considered in designating preferred transportation modes and corridors and the role of the county and city in evaluating alternative transportation modes and corridors. DOE is looking to us to determine what role we, as local government have in giving information on that. Mr. Robison questioned the difference between making these recommendations to the Secretary of the DOE and lobbying for or against these things. Dr. Baughman stated that first, you cannot lobby the Secretary of Energy, you can only lobby a lawmaker such as a Congressman or State legislator. Thus, making a recommendation to the Secretary of the DOE, then advocating that recommendation to the DOE in order to get them to adopt that recommendation is not lobbying. Dr. Baughman stated this was the overview of this nine page document and that the DOE has encouraged us to be comprehensive but also concise, so that we submit a document which

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provides them with enough information to show them clearly what we intend to do such that when we subsequently apply money to it, there is a clear relationship in terms of how much funding we think we need to do this work and that there is a clear link between this work program and the allowable areas of work in the Nuclear Waste Policy Act. Dr. Baughman noted that Mr. Elkins took time to go through this report in some detail and provided excellent editorial comments we intend to work in. Mr. Phillips asked if there were any other questions or comments on this report, stating DOE would like to have our proposed workplan description submitted by the middle of July, necessitating our getting something to the county commissioners in time for their July 7, 2003 meeting. Mr. Baughman stated he had spoken to the County Manager who stated he would like to get the workplan to the commissioners on Monday, a week in advance of the commissioners' meeting, so if changes are necessary, revision will be done, the report submitted to the County Manager by Monday who will distribute it to the commissioners so they have the information for a week, followed the next Monday by the commissioner's meeting and then, if approved, submission to DOE by the middle of July. Dr. Baughman stated changes could be made over the next couple of months, but that DOE is requesting a starting point, a document they can begin to look at and work with us on to come to a resolution over a workable funding workplan. Mr. Robison stated the possibility of DOE may come back with some audit and discussion regarding certain areas, though we are closer to providing what is requested by DOE due to previous interaction with them. Mr. Phillips addressed Mr. Elkins who referred to the coding system on Page 4 and asked if there would be a refinement of the activity coding. Dr. Baughman responded there is a possibility of further detail, primarily for internal use, but at this point, we want to find out how DOE will respond at this level and determine if they believe this is a useful approach before taking it further. Mr. Elkins then referred to impact assessment, Page 5, suggesting changing terminology "annual update" to "periodic updates". Mr. Wallis cited Page 5, #4. Mr. Phillips stated the MOU calls for four members appointed by the City Council and four appointed by the County Commission. Dr. Baughman stated it would be left that way. Mr. Skousen cited Page 2, under Goals, and asked for clarification on term "minimize". Dr. Baughman cited an example as the inter-modal facility proposed to be located in Caliente and the workforce associated with that facility, minimizing the impact would involve the hiring of a local resident to perform a job required for the program, thus contributing to the community. Mr. Rowe cited the Introduction, second paragraph, stating the term "success" should be changed to reflect "success, failures and criticism". Dr. Baughman suggested replacing this terminology to "operation of the City/County...". Mr. Skousen asked when a budget would be attached to the workplan. Dr. Baughman stated when DOE has responded to the plan, defining permissible activities, the budget would then be developed. Mr. Phillips stated this is a new process and that the committee will make recommendations to the County Commissioners, who will do as they choose. Mr. Robison stated the committee is the independent overseers of the DOE program and have the right to determine what the oversight should be within the boundaries of the law. Mr. Phillips addressed the Commissioner members of the committee and asked if there were any other questions. Mr. Rowe stated he believed there may be some amendments implemented with AUG meeting of July 22, 2003. Mr. Phillips asked if there were any other questions, and then asked if there was a motion to approve. Mr. Elkins makes a motion to forward to the County Commissioners for approval after the changes are completed. The motion is seconded. All are in favor and the motion is carried.

* 4. Discussion/Action: Comment letter regarding NWTRB FY2003-2008 Strategic Plan and FY2004 Performance Plan

Dr. Baughman stated the Nuclear Waste Technical Review Board has produced two brief documents, basically presenting their FY03-08 Strategic Plan and FY04 Performance Plan, and were soliciting comments to these documents. As has been the practice of the County and City in the past, in order to maintain fiduciary standing in this process, this letter was prepared. The overarching comment made was that, traditionally the NWTRB has been concerned with uncertainty and the reduction of uncertainty associated with the DOE's performance models and estimates on how the repositories should perform. Often times, there has not been a clear link between the benefit associated with reducing that uncertainty and getting a commensurate reduction in risk to

public health and safety. Our letter encourages the NWTRB to raise the issue of transportation on their agenda, and focus to reducing transportation risk. The letter also commends the NWTRD for viewing the repository as a system rather than a place under the ground where you put waste. Dr. Baughman stated, while there is no time frame for these comments, the letter is set up for signatures of the Mr. Phillips and Mr. Hafen, should the committee find this letter acceptable. Mr. Phillips asked if everyone was comfortable with the text of the letter, which they were. Mr. Phillips then asked if the committee if they wanted to forward the letter to the County Commission to produce on letterhead or let the executive committee of the board to execute the letter. Mr. Hafen asked if a similar letter had been sent in the past. Dr. Baughman stated there had not. A motion is made to forward the letter to the County Commission and seconded. All are in favor and motion is carried.

- * 5. Presentation/Update: Lincoln County Safe Parking Area analysis underway by Intertech Services Corporation
Dr. Baughman introduced Doug Bearman. Intertech has been working for some time on the issue of safe parking areas for trucks transporting spent nuclear fuel, if the Lincoln County route were chosen by DOE. Mr. Bearman stated there has been a study into the historical documentation of incidents that have occurred during the transportation of high-level nuclear waste over the years where records have been kept, both by legal weight truck and by rail, based on a per-million mile transit cumulative number of miles. From 1949 to present, there have been 72 reported incidents involving spent nuclear fuel shipments. Those incidents can be characterized as 4 incidents of accidental radioactive material contamination beyond the vehicle, 4 incidents of accidental radioactive material contamination confined to the vehicle, 13 incidents of traffic accidents resulting in no release or contamination, 49 incidents of accidental surface contamination and 2 other incidents which were mentioned in papers but descriptions were not available. Mr. Bearman stated this was not on the same level as what would be shipped to Yucca Mountain. The WIPP shipment program accommodates precautions related to breakdowns, inclement weather, etc. In conjunction with the Western Governors' conference and the Federal Motor Carrier Safety Administration, a set of criteria has been established for the creation of safe parking areas involving WIPP shipments. Mr. Bearman suggests further studies into the WIPP program and the states where these safe parking areas are already established, concentrating on preparation procedures, liabilities and history of shipments to date, as well as the most feasible locations to set up the parking areas along the transportation routes.
- * 6. Discussion/Action: Recommendation to County Commission on the hiring of the JCCIAC Office Coordinator Contract Position.
Mr. Phillips stated the executive committee seeks committee's advice in relation to how to proceed in the hiring of a new office coordinator. A request for qualifications was made and received 9 inquiries. Mr. Phillips and Mr. Hafen suggested the selection of one committee member to join them for 4 interviews, and then make a recommendation of 1,2,3,4 to the County Commission. The committee agreed with the suggestion and Mr. Wallis volunteered, with no objection. All are in favor and motion is carried.
- * 7. Discussion/Action: JCCIAC meeting with Jon Arthor and Lincoln County Repository Oversight Audit (Louis Benezet)
Mr. Benezet discusses the reason of having Mrs. Detraz place this item on the agenda. Mr. Benezet states there should be a discussion of the results of the DOE Inspector General's (IG) Audit of the Lincoln County Program. Mr. Benezet states he hasn't heard very much information from the Committee. He invites the Committee to share on how the process is coming along and what specific issues have been identified. Mr. Phillips reminds Mr. Benezet on how agenda items are handled in the form of presentations. Mr. Phillips discusses the status of the audit in the form of a committee report. Mr. Phillips asks the committee if it would be appropriate to give his report now instead of the later agenda time. Mr. Phillips accommodates Mr. Benezet's request to give his report now to facilitate Mr. Benezet's presentation. Mr. Phillips stresses the draft nature of the current report. Mr. Phillips states that once the final report is made the Committee will be

advised. Mr. Phillips reviews the DOE organization and the place of the IG's office. Mr. Phillips discusses the origination of the audit request in the House language. The IG chose to audit the state and three of the AULG's Clark, Lincoln and Nye. These Counties represented the bulk of the oversight funding. The audit was a procedural audit, not a financial audit based on independent County audits already performed on the program. The audit was to verify compliance with NWPA. Mr. Phillips discusses what documents are submitted to the DOE before funding. These documents include, workplan, scopes of work for consultants, and budget. The DOE responds with some recommendations to be incorporated into the workplan which are subsequently incorporated into the programs plan. DOE then approved the changed workplan. Mr. Phillips asks if anybody had received training relative to the uses of this funding. There has been no training outside the responses to the workplan. Mr. Phillips expresses the surprise when the IG questioned costs approved under the workplan. He discusses how expenses get placed in the "questioned" costs. He discusses how if one item in an entire invoice didn't clearly detail how it related the NWPA then the entire invoice or expense was thrown into the questioned cost basket. He then continues to discuss the OCRWM Office of Repository Development (ORD) review of the audit. The very competent ORD auditors then reviewed the auditor. Mr. Hafen discusses the competence of the ORD auditors. The net result was a drastically reduced questioned expenses. The crux of the matter was insufficient documentation to link items to the NWPA. Mr. Rowe discusses the coding to the NWPA. Mr. Phillips discusses the need for training contrasted by the statutory right to conduct oversight. Mr. Phillips asks for questions. Mr. Benezet states he has a copy of the report. All of the Committee received a copy of the audit. Mr. Phillips states that Mr. Benezet has been critical not concerned with the program demonstrating illegal activities such as lobbying are not taking place. Mr. Benezet states the need for additional documentation and reporting on trips, meetings and activities. Mr. Phillips discusses the documentation. Mr. Benezet discusses the coding process and whether it will verify compliance. Mr. Benezet hands out a five page spreadsheet of the audit findings. Mr. Benezet discusses the layout of the spreadsheet. Mr. Benezet states the only area where they questions everything was the contractors. He discusses the specifics of the worksheet and its relation to the contractors. Mr. Benezet states the disallowing of the Energy Community Alliance (ECA) by ORD and the fact that he has questioned that expense for sometime. Mr. Benezet continues with travel to power plants that were questioned. Mr. Benezet continues to discuss the areas where the ORD agrees with the IG's office. Mr. Benezet brings to attention Mr. Pitts' column. He discusses other areas including equipment. He states that FY02 is similar with Mr. Pitts and Southwest edge. Mr. Benezet states the need to bring this to the attention of the Committee. He thanks the Committee and the Committee thanks him.

*no lobby
Raulley K...*

- * 8. Discussion/Action: Newspaper Articles and Related documents to the Yucca Mountain Program and the Lincoln County JCCLAC Program. (Marge Detraz)

Mrs. Detraz welcomes Larry Skousen who worked at the test site with her husband. Mrs. Detraz introduces herself and her starting of the Lincoln County Nuclear Information Committee. Mrs. Detraz discusses the need for twenty minutes on the agenda. Mrs. Detraz asks the need for interrupting Mr. Benezet. Mrs. Detraz states that Mr. Phillips is angry for the agenda items. Mrs. Detraz reminds Mr. Phillips that he is spending public and federal money. Mrs. Detraz states that on the 21st of April she received a letter from the Nevada State Attorney General (AG). Mrs. Detraz reads the letter from the AG's office. The letter thanks Mrs. Detraz for her diligence and keeping the AG's office informed. The AG's letter discusses the organization responsible for the funds, DOE and the AG's office's continued monitoring of the audit situation. The letter was signed by Michele Smaltz for Brain Sandoval. Mrs. Detraz states that representative Shelley Berkley helped her get in contact with the AG's office and thanks her for her help. Mrs. Detraz asks on the status of the minutes. She states that last year there were only six meetings and they need twice that. She states that her complaining forced the JCCLAC to have a meeting on April 15th. She states there has been a lot of lobbying. She states that Dr. Baughman and Doug Bearman are registered lobbyist with the state of Nevada. She states that they lobby for Lander, Eureka, Lincoln, Humboldt River Basin, Lincoln County Development Authority, Greatbasin

*For your info
flashed away in the
H.C. Hospital from
22 years of
Parkinson's
disease.
Raul D.*

Hearings area partnership, NTS development corporation and the City of Caliente. Mrs. Detraz discusses JR 295 and that no communities wanted the resolution passed. Mrs. Detraz discusses the need for the resolution to be voted on and represents that Mr. Phillips stated that being elected by the people allows him to make the decision. She states that Mr. Phillips was not the mayor of Alamo. She states the lack of support within Caliente. She states that JR 295 was passed on February 15th. She discusses newspaper articles relating to the resolution. She discusses Mr. Phillips testimony to the Senate Energy and Water subcommittee on March 2, 1995. She reads some of the testimony. She states that the testimony was written by Dr. Mike Baughman who accompanied Mr. Phillips along with Mr. Edward Wright. She reviews the specifics of the Bill as outlined in Mr. Phillips speech. She reads a section that details the implementation of the Bill would erode public confidence in the Site Characterization process if passed. Mrs. Detraz continues to read the testimony which encourages the Senate to consider alternatives to temporary storage at NTS and transportation through the Las Vegas Valley. Mrs. Detraz reads the testimony which discusses the Elgin alternative and the reasons. She reminds the Committee that the Citizens elected them. She reads a section from a citizen alert newsletter, dated January 22, 1998, from Rick Nelson, on oversight. She reads the AUG's are receiving \$5 million for oversight studies collectively, and these funds are to be used to monitor progress and to provide residents with accurate information about the project. She states Robison/Seidler oversight work for county conflictive as they are paid public relations firm for the Nuclear Power Industry. She states most members of this firm have worked for DOE and its contractors and are paid by the Nuclear Energy Institute. Mrs. Detraz refers to an article dated April 6, 1995, where sample resolution was proposed to begin negotiations to obtain funding from Congress for oversight. She stated this was lobbying and corruption. She refers to October 12, 1995 article referencing meeting of Larry Craig with representatives from Nye and Lincoln County and states officials told Craig's staff they preferred to not be interviewed about their lobbying. Mrs. Detraz stresses the need for additional reporting. Mr. Phillips notified Mrs. Detraz that her 20 minutes were up and suggested moving on to the next item. Mr. Phillips requested Mrs. Detraz supply the committee with copies of all referenced articles.

* 9. Administrative Matters

Staff

Committee member reports

Mr. Elkins asked how soon someone would be hired for the coordinator position. Mr. Phillips stated soon. Mr. Phillips asked for any other reports, stating his report was given under item seven. Mr. Hafen stated his report echoed Mr. Phillips' as he was in the same meeting regarding the audit.

* 10. Discussion/Action: Next Meeting Date

Mr. Phillips stated next meeting will take place August 5, 2003 at 5:00 pm in the Caliente town hall, due to budget, audit information perhaps being available for discussion, and this allowing time to get any information to the commission prior to their August 18 meeting, if needed.

* 11. Public Comment

Mr. Phillips stated there will be a 5 minute allowance for each public comment. Mrs. Detraz referred to an August 24, 1995 article regarding AG's adding allegations against Lincoln County officials, stating funds were being misused in violation of state law and that this is prohibited in the Congressional Funding Act. Mrs. Detraz referred to Martha Stewart. Mrs. Detraz warned the committee they need to consider their families and accused members of the committee of committing felonies today as stated occurred in the 1995 article. Mrs. Detraz stated Mr. Phillips is not the spokesman for Lincoln County, but only represents Caliente. She stated elected officials are to reflect the wishes of the people and to obey all laws and that Mr. Phillips violated those laws in 1995. Mrs. Detraz was informed her time was ending. Mr. Benezet stated he checked into the Open Meeting law and minutes of a public meeting must be published within 30 working days of the meeting, thus we have exceeded the law on the April 15 meeting, and where he understands the staffing problem currently occurring, we need to comply. He requested progress and travel reports and invoices from Robison/Seidler covering October 2002 through April 2003, and stated none had been furnished since December 2002. He stated billing from R/S totals \$12,000 in September and October. Mr. Benezet was informed his time was ending. Mr. Pitts referred to the spreadsheet items questioned by

IG auditors. Mr. Pitts recommended regarding the commission hiring of the office coordinator, that the commission consider the contract period to be subsequent to the meeting in which they make the recommendation on which contractor is hired. The advantage to this is so the contractor can start immediately with a signed contract. Mr. Pitts then recommended to the committee they consider having legal counsel in attendance to advise and address numerous accusations of illegal activities as well as items which are stated to be presented in coordination with AG's office.

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Meeting is adjourned 7:30 p.m.